

ORIGINAL

The Morenci Water & Electric (

401 Burro Alley
P.O. Box 68
Morenci, AZ 85540
Telephone (928) 865-2229
Facsimile (928) 865-5261



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July 27, 2010

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission

DOCKETED

AUG 2 2010



Re: Purchase Power Fuel Adjuster
Docket: E-01049A-97-0677, Decision #49576
Reports for June 2010

Dear Staff:

Please find enclosed **revised** forms FA-1, FA-1A, FA-1B, FA-1C, FA-2, FA-3, and Power Purchase Data for the above referenced month.

- Tucson Electric Power in the amount of \$75,788.69
- Tucson Electric Power in the amount of \$246,125.00
- Tucson Electric Power in the amount of \$2,164,486.20
- Freeport McMoRan Copper & Gold Energy Services, LLC in the amount of \$3,121,609.06

Please let me know if you have any questions or comments.

Sincerely,

Ruel A. Rogers, Jr.
Superintendent

RAR/dl

Enclosures(13 sets)

XC: B. Bozzo, ACC w/encl.
M. McElrath, FMI w/encl.
B. Keene, ACC w/encl.
File PPFA 2010

RECEIVED
2010 AUG - 2 A 9:49
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1
For the Month of June, 2010

Line			
1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	<u>(478,353)</u>
2A.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>2,132,695</u>
2B.	Total Sales(includes Special Contract Sales, shown for computation of unit cost only)	KWH	<u>102,866,027</u>
2C.	Special Contract Sales not subject to PPFA per Decision No. 60807 dated Apr 8 1998	KWH	<u>100,733,332</u>
3.	ACTUAL COST OF PURCHASED POWER:	\$	<u>4,779,481</u>
4.	UNIT COST OF PURCHASED POWER: (Line 3/Line 2B)	\$/KWH	<u>0.046463</u>
5.	AUTHORIZED BASE COST OF PUR. POWER: Per Decision No.54712 Dated 10/10/85	\$/KWH	<u>0.075220</u>
6.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98, Updated Decision No. 61705 Dated 5/99	\$/KWH	<u>(0.027000)</u>
7.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.67676 dated 03/05	\$/KWH	<u>0.000000</u>
8.	TOTAL RATE COLLECTED FROM CUSTOMER: (Line 5 + Line 6+ Line 7)	\$/KWH	<u>0.04822</u>
9.	INCREMENTAL DIFFERENCE BETWEEN AUTHORIZED AND ACTUAL RECOVERY: (Line 4 - Line 7)	\$/KWH	<u>(0.001757)</u>
10.	NET CHANGE TO BANK BALANCE: (Line 2A x Line 8) If Line 4 > Line 7 - Under Collected Balance. If Line 4 < Line 7 - Over Collected Balance, neg.	\$	<u>(3,747)</u>
11.	ADJUSTMENTS TO BANK BALANCE: From FA-1A	\$	<u>0</u>
12.	PREAPPROVED DSM COSTS: From FA-1B	\$	<u>0</u>
13.	ENDING BANK BALANCE: (Line 1 + Line 9 + Line 10 + Line 11)	\$	<u>(482,100)</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1A
ADJUSTMENTS TO BANK BALANCE DETAIL
For the Month of June, 2010

PLEASE PROVIDE A DETAILED SUMMARY OF THE ADJUSTMENTS THAT THE COMPANY IS CLAIMING THAT AFFECT THE ENDING BALANCE OF THE PURCHASED POWER AND FUEL ADJUSTOR REPORT. EXAMPLES OF ADJUSTMENTS COULD INCLUDE PRIOR PERIOD ADJUSTMENTS FOR BILLING ERRORS OR CORRECTIONS, REFUNDS RECEIVED FROM YOUR SUPPLIER, REFUNDS ORDERED BY THE COMMISSION ETC. ALL ADJUSTMENTS NEED TO BE THOROUGHLY EXPLAINED AND SUPPORTING DOCUMENTATION ATTACHED, IF APPROPRIATE. THE TOTAL OF ALL THE ADJUSTMENTS BEING CLAIMED SHOULD BE ENTERED AT THE BOTTOM OF THIS FORM AND ON FA-1, LINE 10.

ADJUSTMENTS TO BANK BALANCE:
(Transfer amount to FA-1, Line 10.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1B
PREAPPROVED DSM COST DETAIL
For the Month of June, 2010

PLEASE PROVIDE A DETAIL LISTING OF THE DSM COSTS CLAIMED ON FA-1, LINE 11. DSM COSTS SHOULD BE LISTED BY PROGRAM, AMOUNT AND PERIOD OF TIME WHEN THE FUNDS WERE ACTUALLY SPENT. THE TOTAL DOLLARS SPENT THIS MONTH ON ALL PROGRAMS SHOULD BE ENTERED ON THE LINE PROVIDED AT THE BOTTOM OF THIS PAGE AND ON FA-1, LINE 11.

PROGRAM NAME	APPLICABLE TIME PERIOD	CUMULATIVE COSTS CLAIMED TO DATE	COSTS CLAIMED THIS MONTH
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NONE

TOTAL DSM COSTS CLAIMED THIS MONTH
(Transfer amount to FA-1, Line 11.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
BANK BALANCE REPORT FA-1C
For the Month of June, 2010

Supplemental report for Decision No. 61298 dated December 1998

Line

1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	<u>0</u>
2.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>0</u>
3.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98	\$/KWH	<u>0.000000</u>
4.	NET CHANGE TO BANK BALANCE: (Line 2 x Line 3)	\$	<u>0</u>
5.	ENDING BANK BALANCE: (Line 1 + Line 5)	\$	<u>0</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
GENERAL INFORMATION FA-2
For the Month of June, 2010

Line

1. COMPANY NAME: THE MORENCI WATER & ELECTRIC COMPANY
2. MAILING ADDRESS: P.O. BOX 68 - MORENCI, AZ. 85540
3. CONTACT PERSON: RUEL A. ROGERS, JR.
4. CONTACT TELEPHONE NUMBER: (928) 865-6971

GENERATION

5.	GAS GENERATION	(\$)		
6.	OIL GENERATION	(\$)		
7.	COAL GENERATION	(\$)		
8.	OTHER GENERATION (Identify)	(\$)		
	TOTAL GENERATION COSTS	(\$)	A.	0

PURCHASED POWER

9.	BASE METER CHARGE	(\$)		
10.	DEMAND CHARGE	(\$)		
11.	ENERGY CHARGE	(\$)		
	TOTAL PURCHASED POWER COSTS (Including Special Contract Per Decision No. 60807)	(\$)	B.	<u>4,779,481.06</u>
12.	TOTAL COST OF GENERATION AND PURCHASED POWER (Total of Lines 8A and 11B)	(\$)		<u>\$4,779,481.06</u>
13.	KWH	(KWH)		
	Generated			0
	Purchased Special Contract (Per Decision No 60807)			<u>100,733,332</u>
	Purchased			<u>2,467,093</u>
	TOTAL KWH GENERATED/PURCHASED			<u>103,200,425</u>
14.	COST PER KWH (Line 12/Line 13)	(\$/KWH)		<u>0.046313</u>
15.	UNACCOUNTED FOR KWH'S			
	Line Loss	(KWH)		<u>211,013</u>
	Own Use	(KWH)		<u>69,690</u>

THE MORENCI WATER & ELECTRIC COMPANY
PURCHASED POWER AND FUEL ADJUSTOR
GENERAL INFORMATION FA-3
For the Month of June, 2010

Line			
1.	<u>SALES (KWH)</u>		
	Residential	<u>975,449</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>1,157,246</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>100,733,332</u>	
	TOTAL SALES (KWH)		<u>102,866,027</u>
	(Total KWH Sales SHOULD Agree with number on FA-1, Line #2.)		
2.	<u>SALES (\$)</u>		
	Residential	<u>\$110,360.52</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>\$125,213.26</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>\$5,234,561.77</u>	
	TOTAL SALES (\$)		<u>\$5,470,135.55</u>
3.	<u>NUMBER OF CUSTOMERS**</u>		
	Residential	<u>2,064</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>264</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>1</u>	
	TOTAL CUSTOMERS		<u>2,329</u>

**Use 'Avg' number of customers; Beg # + End # divided by 2.

THE MORENCI WATER & ELECTRIC COMPANY
Miscellaneous Power Purchase Data
Excludes Special Contract Sales
For the Month of June, 2010

	<u>K.W.H.</u>	<u>Percent</u>	<u>K.W.</u>
Total Sales	102,866,027	99.7%	
Total Own Usage	69,690	0.1%	
Total System Losses	404,088	0.4%	
Total Purchased Energy	103,200,425		
System Losses-Rolling annual average		<u>0.20%</u>	
MWE Billed Peak			N/A
MWE Load Factor as Billed		N/A	
*MWE/PDC Coincidental Peak Demand			N/A
*MWE/PDC Coincidental Load Factor		N/A	
*Per Prem Bahl's Calculations 6/17/91			
MWE Actual Peak Per 3 MWE Totalizers			N/A
MWE Actual Load Factor Per 3 MWE Totalizers		N/A	



The Energy People

P.O. Box 711 M/S DS204

Tucson, Arizona 85702

Phone: 520-917-8773

Fax: 520-917-8789

INVOICE

Morenci Water & Electric

Attn: Ruel Rogers

P.O. Box 68

Morenci, AZ 85540

Invoice Date: **July 2, 2010**

Customer No: **TEP 0311 MWE 904**

Description					Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.							
Month of: June 2010							
Control Area Services:							
Administrative	188,611	KW @	0.0128 / KW		2,414.23		2,414.23
Reactive Supply & Voltage Control	188,611	KW @	0.1610 / KW		30,366.44		30,366.44
Regulation & Frequency Response	2,174	KW @	12.0850 / KW		26,272.79		26,272.79
Energy Imbalance - Outside Bandwidth:							
Negative Imbalance	108.75	MWh @	100.00 / MWh		10,875.20		10,875.20
Positive Imbalance	(160.856)	MWh @	38.69910 / MWh			6,224.97	(6,224.97)
Spinning Reserve	1,000	KW @	12.0850 / KW		12,085.00		12,085.00
Interruptible Load/Non-Spin	0	KW @	1.9840 / KW				
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:							
Negative Imbalance	1,432	MWh					
Positive Imbalance	(1,627)	MWh					
Net	(195)	MWh					

e-mail to:
roxanne_boling@fmi.com

copy to:

Freeport McMoran Copper & Gold, Inc.

Attn: Mike Hughes

One North Central Avenue

Phoenix, Arizona 85004

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ **75,788.69**

Please Wire Transfer Payments to:

Due Date: **July 17, 2010**

Tucson Electric Power Company - Corporate

Wells Fargo Bank

ABA 121-000-248

Account Number ~~XXXXXXXXXX~~

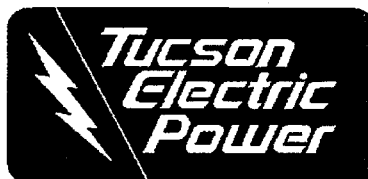
Payments not received on or before the

Due Date are subject to a late charge.

Checked By: _____

Approved By: _____

Questions? Call Shawna Hilman at (520) 917-8716 or
e-mail SHilman@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
fax 520-770-2003

INVOICE

Morenci Water & Electric Company
Attn: Ms. Roxanne Boling
P.O. Box 68
Morenci, AZ 85540

Invoice Date: **July 1, 2010**
TEP 0311 904

Description	Charges	Credits	Amount
Energy purchased by: MWE July			
Energy Charge: 0 MWh @ \$0.00 /MWh	\$ -		\$0.00
Transmission Services			
Transmission 100 MW @ \$2,259.25 MW-Mon	\$225,925.00		\$225,925.00
Ancillary Services:			
Scheduling, System Control, and Dispatch Service \$161.00 MW-Mon	\$16,100.00		\$16,100.00
Reactive Supply and Voltage Control \$41.00 MW-Mon	\$4,100.00		\$4,100.00
Non-Spin capacity 0 MWh @ 0.00 /MWh		\$0.00	\$0.00

Payments are due the later of the last day of the
invoice month or the tenth day after receipt.

Amount Due TEP \$ **246,125.00**

Please Wire Transfer Payments to:

Due Date: July 30, 2010

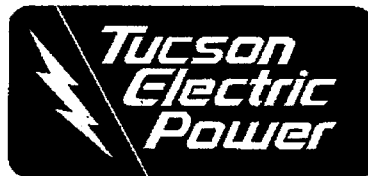
Tucson Electric Power Company – Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number 4[REDACTED]

Payments not received on or before the
Due Date are subject to a late charge.

Approved By: _____

Checked By: _____

Questions? Call Bob Nowak at (520) 917-8776 or
e-mail rnowak@tep.com



The Energy People

P.O. Box 711
Tucson, Arizona 85702
520-745-7170
fax 520-770-2003

INVOICE

Morenci Water & Electric Company

Attn: Ms. Roxanne Boling
P.O. Box 68
Morenci, AZ 85540

Invoice Date:

July 1, 2010

TEP 0311 904

Description	Charges	Credits	Amount
Energy purchased by: MWE July			
Energy Charge:			
Market Power - Real Time 59,026 MWh @ 32.73 /MWh	1,931,887.00		1,931,887.00
Market Power - Daily 13,752 MWh @ 16.91 /MWh	232,599.20		232,599.20
Short Term Contract 0 MWh @ #DIV/0! /MWh	0.00		-
Imbalance PAYB from TEP 0 MWh @ 0.00 /MWh	0.00		0.00
Additional Transmission costs: (PNM, WALC, TEPC)	0.00		0.00
Amount Due TEP			\$ 2,164,486.20

Payments are due the later of the last day of the invoice month or the tenth day after receipt.

Please Wire Transfer Payments to:

Tucson Electric Power Company - Corporate
Wells Fargo Bank
ABA 121-000-248
Account Number **4444444444**

Due Date:

July 20, 2010

Payments not received on or before the
Due Date are subject to a late charge.

Approved By:

Checked By:

Questions? Call Bob Nowak at (520) 917-8776 or
e-mail mnowak@tep.com



**FREEPORT-McMoRAN
COPPER & GOLD**

Freeport-McMoRan Copper & Gold Energy Services, LLC
333 North Central Avenue, Phoenix AZ 85004
(602) 366-8100 Voice
(602) 366-7314 Facsimile

INVOICE

Invoice Date: July 2, 2010

Morenci Water & Electric
P.O. Box 68
66 Fairbanks Road
Morenci, Az. 85540

Description	Charges	Credits	Amount
Energy Purchased by MW&E pursuant to : PDES's FERC Electric Tariff, First Revised Volume No. 1, Second Revised Sheet Nos.1-3			
Capacity MW 147	\$ 1,176,000.00		\$ 1,176,000.00
Energy MWh 49,344	\$ 1,780,306.66		\$ 1,780,306.66
var O&M 49,344	\$ 165,302.40		\$ 165,302.40
Current Charges			\$ 3,121,609.06

Due Date: July 16, 2010

Wire Transfer:

Bank of America
Dallas, Texas
ABA # 026009593
Account # ~~2525252525~~
Freeport-McMoRan Copper & Gold Energy Services